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CENTRAL INTELLIGENCE AGENCY OFFICE OF CURRENT INTELLIGENCE 20 November 1961

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CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Election of a Constituent Assembly in El Salvador on 17 December 1961

- 1. Offices to be filled: The 54 members of a constituent assembly that is to name an interim president of the republic and then become a regular legislature. This legislature and the interim president are to serve until September 1962. Regular legislative elections are scheduled for March 1962 and presidential elections for May 1962.
- 2. Background: The 17 December elections are designed to restore the constitutional legality which ended with the ouster of President Lemus in October 1960. Lemus was succeeded by a military-civilian junta, which came under mounting Communist influence until it, in turn, was ousted in a military coup in January 1961. The Civil-Military Directorate which has exercised executive and legislative functions since January is led by young officers convinced that the only way to prevent an eventual Communist takeover is to launch a program of socioeconomic reform.

Such a program has a special relevance in the small, overpopulated Central American republic, where the gulf between the wealthy few and the impoverished masses is as wide as anywhere in Latin America. Encouraged by the concepts of the Alliance for Progress, the Directorate has decreed a number of basic reforms, including the first significant measures any Salvadoran government has taken to help the peasants. The reforms have aroused strong resistance from the "fourteen families" which long ruled the country and are still entrenched economically.

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Some elements of the oligarchy appear to be attempting to subvert the armed forces.

3. Parties participating:

- a. National Conciliation party (PCN):
 Organized two months ago by the Directorate, the
 PCN has the important and traditionally decisive
 advantage of government support. Its top leader,
 Colonel Julio A. Rivera, was the dominant member
 of the Directorate until his resignation last
 September to head the PCN. His military colleagues
 hope to see him elected president next May.
- b. Union of Democratic parties (UPD): A loose coalition of three opposition parties, the UPD has the support of most of the oligarchy. However, at least one of the component parties, the Reform Action party (PAR), is infiltrated by pro-Communists. The other two member parties are the Social Democratic party--formed late last year by followers of former President Oscar Osorio--and the Christian Democratic party.
- c. The Third Front: This coalition of the National Action party (PAN) and the Authentic Constitutional party (PAC) opposes the UPD as too far to the right. It is still unclear whether the group will back the government's PCN or run its own candidates.
- d. Revolutionary Democratic Unification party (PRUD): The official political machine of the ousted Lemus administration and of the preceding Osorio regime, the PRUD now is relatively weak. Opportunistic considerations apparently incline it to support the Directorate's PCN.

4. Present party strengths: While the PCN has the advantage of government support, its formation only three months before the election has given it little time to build an effective political machine. It relies on support from the beneficiaries of the government's reform program; however, the Salvadoran lower classes are generally unorganized and illiterate, and the reforms have yet to have an important impact in many parts of the country.

The government will almost certainly attempt to influence the outcome of the elections on behalf of the PCN. Wholesale rigging of the election will be difficult, however, because the electoral machinery includes a number of devices designed to assure a free election. The opposition, with its greatest strength in the UPD, has the advantage of support from most of the oligarchy, which has the support of the country's entire press.

- 5. Principal issues: The basic issue is the government's program of basic socio-economic reform, which the oligarchy sees as a challenge to its position. Secondary issues include opposition among large numbers of educated Salvadorans to the influence of the military in political affairs and to the regime's obvious support of one political party.
- Significance for the United States: vador is the first Latin American country where the Alliance for Progress has become a major domestic political issue. The United States under strong attack from the Salvadoran oligarchy encouraging a reform program which challenges its traditional political and economic domination of The small but vocal Communist-led the country. element is also attacking the Alliance for Progress as a new form of imperialism. Future developments in El Salvador will have an important bearing on Communist losses or gains in the Central American area. The political struggle now going on in El Salvador over the implementation of long-overdue reforms is probably only the first of many that

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will occur in Latin America as the Alliance for Progress becomes an increasingly important element in relations between the United States and the Latin American countries.

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